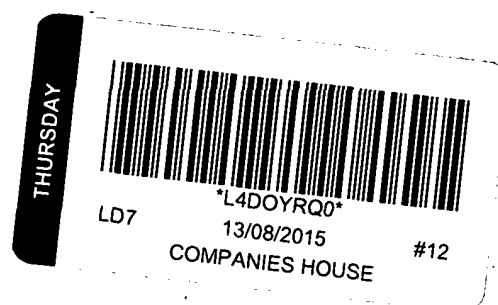


**FIRST TOWER GP(1) LIMITED**

Registered number: SC132920

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2014**



# **FIRST TOWER GP(1) LIMITED**

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## **FIRST TOWER GP(1) LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014**

The directors present their report and the financial statements for the year ended 31 December 2014.

#### **PRINCIPAL ACTIVITIES**

The company owns a partnership interest as a General Partner in the First Tower Limited Partnership ('the Partnership'), as described in Note 5 to the accounts. The Partnership comprises two General Partners and twelve Limited Partners.

Until 5 September 1996, all of the partners were members of the group. On that date the company's investment in the Partnership was reduced to £1 as a result of a return of capital. On the same date the group disposed of its interest in the shares of the Limited Partners.

#### **DIRECTORS**

The directors who served during the year were:

A P Anderson II  
Sir George Iacobescu CBE  
R J J Lyons

The company provides an indemnity to all directors (to the extent permitted by law) in respect of liabilities incurred as a result of their office. The company also has in place liability insurance covering the directors and officers of the company. Both the indemnity and insurance were in force during the year ended 31 December 2014 and at the time of the approval of this Directors' Report. Neither the indemnity nor the insurance provide cover in the event that the director is proven to have acted dishonestly or fraudulently.

#### **DISCLOSURE OF INFORMATION TO AUDITOR**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 10 August 2015 and signed on its behalf.



J R Garwood  
Secretary

## **FIRST TOWER GP(1) LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **FIRST TOWER GP(1) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF FIRST TOWER GP(1) LIMITED**

We have audited the financial statements of First Tower GP(1) Limited for the year ended 31 December 2014, which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

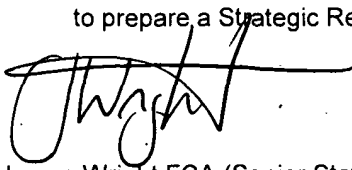
**FIRST TOWER GP(1) LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF FIRST TOWER GP(1) LIMITED**

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Directors' Report.



James Wright FCA (Senior Statutory Auditor)  
for and on behalf of  
**Deloitte LLP**  
Chartered Accountant and Statutory Auditor  
London, UK

10 August 2015

**FIRST TOWER GP(1) LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Note	2014 £	2013 £
Share of income from investment in partnership		<u>1</u>	<u>1</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>1</b>	<b>1</b>
Tax on profit on ordinary activities		<u>-</u>	<u>-</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	<b>8</b>	<b><u>1</u></b>	<b><u>1</u></b>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the Profit and Loss Account.

The notes on pages 7 to 9 form part of these financial statements.

**FIRST TOWER GP(1) LIMITED**  
**REGISTERED NUMBER: SC132920**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2014**

	Note	2014 £	2013 £
<b>FIXED ASSETS</b>			
Investments	5	41	40
<b>CURRENT ASSETS</b>			
Debtors	6	103	103
<b>NET ASSETS</b>		<u>144</u>	<u>143</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	7	67	67
Revaluation reserve	8	26	26
Profit and loss account	8	51	50
<b>SHAREHOLDERS' FUNDS</b>	9	<u>144</u>	<u>143</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 10 August 2015.

  
**R J J Lyons**  
 Director

The notes on pages 7 to 9 form part of these financial statements.



## **FIRST TOWER GP(1) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014**

#### **1. ACCOUNTING POLICIES**

##### **1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investment properties and in accordance with applicable accounting standards.

##### **1.2 Going concern**

Having made the requisite enquiries and assessed the resources at the disposal of the company, the directors have a reasonable expectation that the company will have adequate resources to continue its operation for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements.

##### **1.3 Cash flow**

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

##### **1.4 Investments**

Investments held as fixed assets are shown at cost less provision for impairment.

Investments in Partnerships are carried by reference to the company's share of net assets. The investment is initially recognised at historical cost with the company's share of the realised profits and losses recorded in the profit and loss account and the company's share of unrealised gains and losses taken to the revaluation reserve.

#### **2. OPERATING PROFIT**

Auditor's remuneration of £800 (2013 - £750) for the audit of the company has been borne by another group undertaking.

#### **3. STAFF COSTS**

The company has no employees other than the directors, who did not receive any remuneration (2013 - £NIL).

#### **4. TAXATION**

No provision for corporation tax has been made since the taxable profit for the year will be covered by the group relief expected to be made available to the company by other companies in the group. No charge will be made by other group companies for the surrender of group relief. There is no unprovided deferred taxation.

# **FIRST TOWER GP(1) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014**

### **5. FIXED ASSET INVESTMENTS**

Investment in partnerships

	Capital Account £	Current Account £	Total £
<b>Cost or valuation</b>			
At 1 January 2014	27	13	40
Additions	-	1	1
At 31 December 2014	<u>27</u>	<u>14</u>	<u>41</u>
<b>Net book value</b>			
At 31 December 2014	<u>27</u>	<u>14</u>	<u>41</u>
At 31 December 2013	<u>27</u>	<u>13</u>	<u>40</u>

As a general partner, the company has contributed 0.05% of the capital of the Partnership, an entity which commenced business on 22 August 1991. Upon commencing business the Partnership acquired an interest in certain floors within One Canada Square at Canary Wharf and certain retail areas within the Canary Wharf estate. On 27 December 1995 the Partnership sold its retail interests to a fellow group undertaking. On 5 September 1996, the Partnership granted an overriding lease in its remaining interests to a fellow subsidiary undertaking.

Also on 5 September 1996, the company's investment in the Partnership was reduced to £1 as a result of a return of capital by the Partnership. On the same date the group disposed of its interest in the shares of the Limited Partners in the Partnership. The investment in the Partnership has since been revalued annually to reflect the share of the company's net assets in the Partnership.

### **6. DEBTORS**

	2014 £	2013 £
Amounts owed by group undertakings	<u>103</u>	<u>103</u>

### **7. SHARE CAPITAL**

	2014 £	2013 £
<b>Allotted, called up and fully paid</b>		
2 Deferred ordinary shares of £1 each	2	2
100 Ordinary shares of \$1 each -	65	65
	<u>67</u>	<u>67</u>

The holders of the deferred ordinary shares are entitled to a restricted participation in the profits or assets of the company and do not have any right to attend or vote at any general meeting.

## FIRST TOWER GP(1) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

#### 8. RESERVES

	Revaluation reserve £	Profit and loss account £
At 1 January 2014	26	50
Profit for the financial year	-	1
At 31 December 2014	<u>26</u>	<u>51</u>

#### 9. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2014 £	2013 £
Opening shareholders' funds	143	142
Profit for the financial year	<u>1</u>	<u>1</u>
Closing shareholders' funds	<u>144</u>	<u>143</u>

#### 10. POST BALANCE SHEET EVENTS

On 4 December 2014, Stork Holdings Limited, an entity jointly owned by Qatar Investment Authority and Brookfield Properties Partners LP, announced the terms of a final cash offer for the acquisition of the entire issued and to be issued ordinary share capital of Songbird Estates plc, the company's ultimate parent undertaking, at £3.50 per ordinary share. The offer became wholly unconditional on 5 February 2015. Having obtained more than 90.0% of the issued share capital, Stork Holdings Limited then announced a compulsory acquisition of Songbird Estates plc shares in respect of which acceptances of the offer had not been received.

The offer becoming unconditional triggered a mandatory cash offer for the issued and to be issued ordinary share capital of Canary Wharf Group plc at a price of £6.45 per share and the subsequent compulsory acquisition process of the Canary Wharf Group plc shares in respect of which acceptances of the offer had not been received.

The compulsory purchase periods lasted until 17 April 2015, at which time the shares were compulsorily purchased on the same terms as the original offers.

#### 11. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company's immediate parent undertaking is CWE SPV HCo Limited.

As at 31 December 2014, the smallest group of which the company is a member and for which group financial statements are drawn up is the consolidated financial statements of Canary Wharf Group plc. The largest group of which the company is a member for which group financial statements are drawn up is the consolidated financial statements of Songbird Estates plc, the ultimate parent undertaking and controlling party. Copies of the financial statements of both companies may be obtained from the Company Secretary, One Canada Square, Canary Wharf, London E14 5AB.

The directors have taken advantage of the exemption in paragraph 3(c) of FRS 8 allowing the company not to disclose related party transactions with respect to other group companies.